

FERTILIZER AND  
MINING DIVISION



# Stauffer Chemical Company

Manila Star Route / Vernal, Utah 84078 / Telephone (801) 789-2233

August 1, 1980

Mr. Ron Daniels  
Division of Oil, Gas, and Mining  
1588 West North Temple  
Salt Lake City, Utah 84116

Re: Tentative Approval - Vernal Mine

Dear Mr. Daniels:

We are enclosing the signed Vernal Mined Lands Reclamation Contract that the division executed on April 23, 1980.

In your May 1, 1980 letter, you listed two stipulations which must be met prior to issuance of final approval for Stauffer's Mining and Reclamation Plan for the Vernal Operations.

Enclosed is Dwg. 31-200B (revised) on which is indicated the location and size of the area within the tailings disposal area that will contain the 5 to 9 vertical feet of water. Initially, upon abandonment, this area will serve as a sediment basin; ultimately, it will be filled with sediment from natural upstream erosional processes over which Stauffer has no control.

The second stipulation relates to the quality of the water in the tailings impoundment area. We cannot understand why an analysis of this water has been requested by the Board. As was presented in earlier correspondence with the Division of Oil, Gas, and Mining, Stauffer is operating under a no discharge permit with the EPA which covers the use of this facility. All the water not consumed on the property is recycled.

Over the last several years, Stauffer has had the tailings pond water analyzed. The water does not exceed the maximum concentration as set and is not hazardous.




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Division of Oil, Gas, and Mining  
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There has not been and, most likely will never be any significant change in Stauffer's means of beneficiating Vernal phosphate rock. Since we have had no water quality problem in the past, we expect to have none in the future. A detailed or periodic water sampling program is not warranted by the circumstances.

I assume you can now issue final approval. We appreciate your help with arranging this agreement.

Sincerely,

STAUFFER CHEMICAL COMPANY

  
F. L. Riding  
Plant Manager

Encl.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
BOARD OF OIL, GAS AND MINING  
1588 West North Temple  
Salt Lake City, Utah 84116



\* MINED LANDS RECLAMATION CONTRACT \*

THIS CONTRACT, made and entered into this 23rd day of April, 19 80, between Stauffer Chemical, Company, a corporation duly authorized and existing under and by virtue of the laws of Delaware, hereinafter called the Operator, and the Board of Oil, Gas and Mining, duly authorized and existing by virtue of the laws of the State of Utah, hereinafter called the Board.

WITNESSETH:

WHEREAS, the Operator is the owner and in possession of certain mining claims and/or leases hereinafter more particularly mentioned and described in Exhibit "A" attached hereto.

WHEREAS, the Operator did on the 20th day of June, 1977, file with the Division of Oil, Gas and Mining, a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan" to secure authorization to engage, or continue to engage, in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act, Chapter 8, Title 40 Utah Code Annotated, 1953.

WHEREAS, the Operator is able and willing to reclaim the above mentioned "lands affected" in accordance with the approved mining and reclamation plan, the Mined Land Reclamation Act and the rules and regulations adopted in accordance therewith.

WHEREAS, the Board has considered the factual information and recommendations provided by the staff of the Division of Oil, Gas and Mining as to the magnitude, type and costs of the approved reclamation activities planned for the land affected.

WHEREAS, the Board is cognizant of the nature, extent, duration of operations, the financial status of the Operator and his capabilities of carrying out the planned work.

NOW THEREFORE, for and in consideration of the mutual covenants of the parties by each to the other made and herein contained, the parties hereto agree as follows.

## AGREEMENT

The Operator Agrees:

1. To reclaim the land affected by mining activities in accordance with the Operator's mining and reclamation plan as approved by the Board on June 20, 19 77, the Mined Land Reclamation Act and regulations adopted under said Act.

2. To expend as a minimum average \$12,500 in 1980 dollars per year as determined in accordance with the current price index (U.S. Department of Labor, Bureau of Labor Statistics) for each separate three year period of mining activity. Said amount shall be expended in implementing and maintaining a program applying "practical land treatments" as defined by Board Rule M-10(12)(3) in reclamation of land impacted by mining or processing operations. While on-site operating wages and expenses may be calculated into the required expenditure, executive salaries and company overhead costs shall be excluded.

3. That the annual expenditure set forth in paragraph two will be applied to a minimum average of twenty-five (25) acres of land impacted by mining activities occurring subsequent to enactment of the Mined Land Reclamation Act of May 1975.

4. The annual expenditure requirements as set forth above will continue until mining operations as described in the approved notice of intent are permanently terminated.

5. Contractual commitments of this Agreement will not abrogate the legal responsibilities of the Operator to complete mined land reclamation as required by the Notice of Intent to Mine, the Mined Land Reclamation Act and implementing regulations.

6. The Operator agrees to provide to the Board and Division annually, a detailed report of reclamation work performed during the preceeding year, including a cost accounting for said reclamation work in 1980 dollars.

7. Both parties agree to retain the right to propose amendments to the reclamation plan if for any reason such an amendment may be necessary.

8. The Operator agrees to designate a responsible individual who is involved in the Operator's on-going reclamation efforts, who will serve as liaison to the Division.

9. This contract shall be binding upon all parties as well as their successors and assigns.

10. The Operator shall be an independent contractor and as such shall have no authorization to bind the State of Utah or the Board or Division of Oil, Gas and Mining to any agreement except as herein set forth.

11. The Operator agrees to hold harmless the State of Utah and the Board and Division of Oil, Gas and Mining from claims for personal injury or death, damages to personal property and liens of workmen and materialmen, howsoever caused, in performance of this contract.

The Board Agrees as Follows:

1. In lieu of accepting a bond or surety, the Board agrees to accept the Operator's personal guarantee as set forth in this contract, to reclaim the land affected in accordance with its approved reclamation plan.

2. This Contract shall fulfill the Operator's requirements under Section 40-8-14, Utah Code Annotated and Rule M-5 of the Board's Regulations.

The Operator and the Board agree to terminate this Contract as follows:

1. If, through any cause, the Operator fails to fulfill in a timely and proper manner, obligations under this Contract, the Board or Division shall have the right to terminate this Contract if after 30 days written notice of said breach of Contract, the Operator fails to remedy the situation to the satisfaction of the Board or Division, by giving written notice of the Operator of such termination and specifying the effective date thereof. In that event, the Operator shall be deemed to be in violation of the Mined Land Reclamation Act and the Board or Division may initiate proceedings to terminate the approved Notice of Intent to Mine.

2. Should the Mined Land Reclamation Act or implementing regulations be amended with respect to surety requirements, such that this Contract no longer fulfills the requirements of the State of Utah, this Contract shall terminate and the Operator will be given reasonable opportunity to comply with such new requirement.

IN WITNESS THEREOF, the parties hereto set their hands this 23rd day of April, 19 80.

APPROVED AS TO FORM:

BOARD OF OIL, GAS AND MINING

by: Denise A. Dwyer  
Special Assistant  
Attorney General

by: C. B. Henderson

OPERATOR

by: W. D. Thomas

CORPORATE ACKNOWLEDGMENT

~~STATE OF UTAH~~ )  
State of California ) SS

~~COUNTY OF~~ )  
County of San Francisco

On this 23 day of July, 1980, personally appeared  
before me H. O. Thomas, who by me duly sworn did say  
that he is the Senior Vice President of Stauffer Chemical Company and  
that the foregoing instrument was signed on behalf of said corporation  
by authority of a corporate resolution, and said H. O. Thomas  
acknowledged to me that said corporation executed the same.



Notary Public:

Rosemary Fleming Glover

Residing:

636 California Street  
San Francisco, California

My Commission Expires:

Sept. 15, 1980

EXHIBIT A

Legal Description of Vernal Property

Township 3 South, Range 22 East, SLM:

Section 4: The Southwest quarter of the Northwest quarter.

Section 5: Lots 2, 3, and 4.

The Southeast quarter of the Northeast quarter.

The Southeast quarter of the Northwest quarter.

The Southwest quarter of the Northeast quarter.

Less 17.46 acres in South half Northeast quarter of Section 5 to  
Utah State Road Commission.

Section 6: Lots 1, 2, 3, and 4.

Township 2 South, Range 22 East, SLM:

Beginning at the North quarter corner of Section 5, Township 3 South, Range 22 East, and running thence North  $89^{\circ} 58'$  West 12.62 chs. thence North  $45^{\circ} 15'$  West 19.55 chs. thence North  $13^{\circ} 14'$  West 14.6 chs. thence North  $64^{\circ}$  West 17.76 chs. thence North  $47^{\circ} 04'$  East 26.97 chs. thence South  $62^{\circ} 05'$  East 8.89 chs. thence South  $11^{\circ} 09'$  West 22.16 chs. thence South  $56^{\circ} 35'$  East 26.63 chs. thence South  $5^{\circ} 14'$  East 13.5 chs. North  $89^{\circ} 58'$  West 1 ch. to the place of beginning. Containing 92.61 acres.

Section 31: Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9.

Section 32: Lots 2 and 5.

Also, the following patented Placer mining claims located in Township 2 South, Ranges 21 East and 22 East, SLB&M, Uintah County, State of Utah:

Elkton	U.S. Survey No. 6778
Eclipse	" " " "
El Paso	" " " "
Fauntleroy	" " " "
Findley	" " " "
Blue Bird	" " " "
Buckhorn	" " " "
Colonial Dames	" " " "
Damon	" " " "
Boston	" " " "
Free Coinage	" " " "
Favorite	" " " "
Enterprise	" " " "
Monarch	" " " 6907
Midget	" " " "
Mary Cashen	" " " "
Gold Coin	" " " "
Rose Maud	" " " "
Gold Sovereign	" " " "
Los Angeles	" " " "
Little Pluck	" " " "
Last Dollar	" " " "
Key West	" " " "
Nuggett	" " " "
Moose	" " " "
Golden Age	" " " 6908
Ajax	" " " "
Josephine	" " " "
Isabella	" " " "
Independence	" " " "
Granite	" " " "
Goldfield	" " " "
The Arrow	" " " "
The Anchoria	" " " "
Sacramento	" " " 6909
Rocky Mountain	" " " "
Lucky Gus	" " " "
Longfellow	" " " "
Lillie	" " " "
Golden Eagle	" " " "
Keystone	" " " "
Pointer	" " " "
Plymouth Rock	" " " "
Pinnacle	" " " "
Pharmacist	" " " "
Ben Hurr	" " " "
Black Bells	" " " "
Ironclad	" " " 6910

Jack Pot	U.S. Survey No. 6910
Ida May	" " " "
Gold King	" " " "
Constantine	" " " "
Cresson	" " " 6911
Columbine	" " " "
The Compean	" " " "
The Twin Sisters	" " " "
Little Nell	" " " "
Little May	" " " "
The Madison	" " " "
Garfield	" " " "
Specimen	" " " "
Silver State	" " " "
Maryann	" " " "
Franklin	" " " "
The Republic	" " " "
The Blue Bells	" " " 6912
The Solitaire	" " " "
Gold Dollar	" " " "
The Modoc	" " " "
Flower of the West	" " " "
The Reno	" " " "
Zenobia	" " " "
The Mobile	" " " "
The Gold Stone	" " " "
The Mabel	" " " "
The National	" " " 6913
The Pythias	" " " "
The Joker	" " " "
The Imp	" " " "
The Jefferson	" " " "
The Kismot	" " " "
Sedan	" " " "
The Missouri	" " " "
Highboy	" " " 6914
Feld Spar	" " " "
Estes	" " " "
Dagger	" " " "
The Castile	" " " "
Belfry	" " " "
Gompers	" " " "
The Sunset	" " " "
The Magnet	" " " "